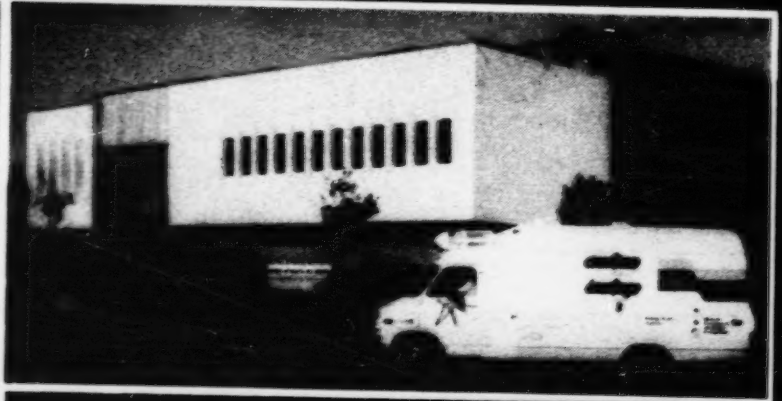


Annual Report

Department of Tourism, Industry, and Energy
Fiscal year April 1, 1981-March 31, 1982







**Annual Report for
April 1, 1981 - March 31, 1982**

Department of
Tourism, Industry and Energy



TO HIS HONOUR

THE HONOURABLE JOSEPH AUBIN DORION
Lieutenant-Governor of Prince Edward Island

May it please your Honour:

I have the honour to submit herewith the Annual Report of the Department of Tourism, Industry and Energy for the fiscal year April 1, 1981, to March 31, 1982, on behalf of the former Minister, Honourable Barry Clark.

I have the honour to be, sir,

Your obedient servant,

Frederick L. Driscoll
Minister of Energy and Forestry

Charlottetown,
Prince Edward Island
December, 1982

Minister's Message

During the period covered in this report, each Branch of the Department of Tourism, Industry and Energy developed and implemented programs and projects which helped to stimulate the Province's tourism, industry and energy-related sectors.

The Tourism Branch continued to foster greater public awareness of the value of tourism to the provincial economy. The enthusiastic response by Islanders to Branch projects during the year emphasized strong private sector support for tourism initiatives.

The 1980 advertising campaign of the Tourism Branch was reinforced, and the "Feel Our Warmth" television commercials continued to contribute significantly to increased Prince Edward Island awareness. Automobile visitation from the United States rose by 12.1 per cent, an increase for the second year in a row; and during 1981, domestic and non-resident tourism revenues rose to a record \$63 million.

Early in the spring of 1981, the Industry Branch initiated the development of an industrial strategy for Prince Edward Island. In formulating directions for the 1980's, the industrial sector was examined from an historical perspective. Industrial and community representatives were consulted, and national and international trends were considered. The Industrial Development Policy will be complemented by a wide range of existing programs, plus a number of new programs soon to be introduced.

Energy conservation and pricing remained high priorities of this Government. Prince Edward Islanders have shown commitment to the goal of energy self-sufficiency through their efforts to reduce dependence on oil and electricity; and Government continued to encourage Islanders through a variety of programs, including EnerSave for Industry and Commerce, P.E.I. EnerPool, infrared thermography and furnace efficiency testing.

We must continue to develop policies and programs for Prince Edward Island that are adaptable and responsive to the rapidly changing economic conditions of the 1980's.

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COVER PHOTOGRAPHS

Potter Elizabeth Roe, Wyndholm Pottery, Lower Montague.

The Enersave bus operates under the Canada/P.E.I. Agreement for Industrial Energy Conservation.

Equipped with an on hyphen board computer, the bus is used for energy audits of commercial, industrial or institutional buildings.

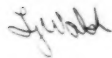
Travel Counsellor at one of the 12 provincially operated Visitor Information Centres.

Honourable Frederick L. Driscoll
Minister
Department of Energy and Forestry
P.O. Box 2000
Charlottetown, PEI
C1A 7N8

Dear Mr. Minister:

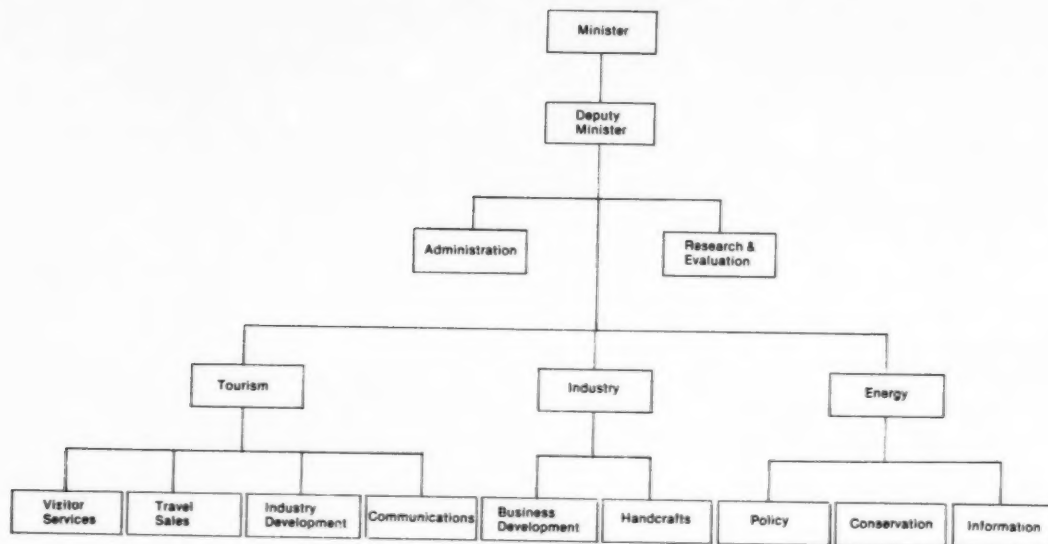
I am pleased to submit the Annual Report for the Department of Tourism, Industry and Energy for the fiscal year 1981-1982. This report was prepared by the Department of Energy and Forestry on behalf of the Department of Tourism, Industry and Energy, which was abolished on October 28, 1982.

Yours truly,



Leo J. Walsh
Deputy Minister
Department of Energy and Forestry

TOURISM, INDUSTRY, ENERGY



Tourism Branch

Highlights

Tourism awareness programs initiated in 1980 were strengthened and adjusted to complement existing market trends.

The Editorial Awareness Program was evaluated and targeted to more appropriate print media. The value of this program in 1981 rose to \$227,977 worth of 'free' placement, an increase of 92%.

A new in-province tourism awareness program was developed in 1981. This unique campaign of posters, newspaper ads and radio commercials was designed to heighten awareness by Island residents of the value of tourism to the provincial economy and to promote tourism industry career opportunities among students. As a result, greater public support for the tourism industry has been achieved.

Television visuals accentuating the natural beauty of Prince Edward Island, community activities and the "Feel Our Warmth" slogan dominated off-Island advertising. A motivational survey of visitors conducted in 1981 confirmed the positive impact of the province's television advertising program; of those surveyed, 20% gave television commercials as the reason for visiting Prince Edward Island for the first time.

Consultation with the Tourism Industry relative to program development and promotion continued. Marketing representatives from the Tourism Industry Association of Prince Edward Island (TIAPEI) had direct input into the planning process for the Department's 1981 marketing program. This cooperative and mutually productive relationship between the Department and the private sector is vital to the continuing success of Prince Edward Island Tourism.

Advertising

The 1981 advertising campaign, which ran from April 1 to September 30, continued to promote Prince Edward Island as a family/activities vacation destination. The marketing strategy was designed to complement those of the Canadian Government Office of Tourism (CGOT) program, and the Atlantic Canada Tourism Program (ACTP).

The program, continuing and expanding the use of the "Feel Our Warmth" theme, was directed at the following markets: Atlantic provinces, Quebec, Ontario and New England. Television and radio were used extensively with additional print support in magazines.

The successful cooperative advertising program which involved Island operators and the Tourism Branch in off-Island promotion was continued and expanded.

Communications

Tourism Publications Program

During the 1981-82 fiscal year, tourism literature produced for the 1981 season was distributed. It included the Official Tourist Map, Accommodations and Camping, Things to See...Things to Do, the Scenic Drives Tour Guide and a three-fold, full-color promotional brochure known internally as the mini-lure.

In the fall of 1981, production began on literature for the 1982 tourist season. The 91 projects, large and small, completed during the fiscal year included a new publication called the Visitors Guide which combined accommodations, camping, handcrafts and activities/attractions listings in one 64-page book published in separate French and English versions. Considerable budget dollars were saved by the new format. As a companion piece, the bilingual Official Tourist Map was renamed the Visitors Map (La carte routière) and large, full-color photos were featured on the reverse side. A new selection of posters was also designed and printed for distribution during the 1982 tourist season.

Photography and Audio-Visual

The spring and summer of 1981 was spent planning and coordinating various photo-shoots to obtain new material for the photo library and upcoming publications. The library changed its photographic format from 2 1/4" color transparencies to 35mm color slides.

A special shoot was undertaken to supply photos for the new Lady Slipper Visitor Information Centre. Photo materials such as transparencies, black and white prints and slides were provided on loan to magazines, bus tour companies and Rotary students for tourism promotion. This material was also utilized for displays, audio-visual presentations and the Department's advertising and editorial programs.

Highway Information Signage Program

This program continued to provide a system of uniform, directional off-premise highway signage to inform the traveling public. Signage areas 1 to 9 are participating in the program. The Highway Information Signage System committee met as required.

Travel Sales

Special Promotions

The Travel Sales Division was involved in a number of promotions in 1981 that were designed to increase awareness of Prince Edward Island:

Outdoor Shows

The Division initiated and coordinated Prince Edward Island attendance at five outdoor shows during the period covered in this report. The locations of these major outdoor shows were Harrisburg, Pennsylvania; Boston, Massachusetts; Toronto, Ontario; Montreal, Quebec; and Moncton, New Brunswick. The Trailer Park Association assisted with show coordination and participation.

PEI Day at the Expos Game

The Division initiated and coordinated the attendance of the Minister and the Manager of the Division at a PEI game with the Montreal Expos baseball team.

Blitzes

Media blitzes of Hamilton and London, Ontario; and Bangor and Portland, Maine, were initiated and administered by the Travel Sales Division. The Department also attended the London Free Press Trade and Consumer Show in London, Ontario.

Royal Winter Fair

The Department assisted the Potato Marketing Board by participating at the Board's booth at the Royal Winter Fair in Toronto.

Package Tours

The Travel Sales Division continued to assist tour wholesalers and other travel organizations, both technically and financially, to develop new packages to the province.

The Division maintained membership in various trade organizations and actively participated in their promotion. As a member of the National Tour Brokers Association, American Bus Association and the Ontario Motorcoach Association, valuable contacts were made which created awareness in the marketplace, with the potential for development of new tours to Prince Edward Island.

Rendezvous Canada, an annual international trade show sponsored by the Canadian Government Office of Tourism, as well as consortia which were directed to travel agents, were also attended by departmental representatives.

Familiarization Tours

The Division hosted 29 familiarization tours in 1981, 12 of which were media related, i.e., writers, photographers, film makers and T.V. personnel. These tours continued to be coordinated by the Department, the Canadian Government Office of Tourism and the Atlantic Canada Tourism Program. Seventeen trade familiarization tours were hosted, featuring travel agents, tour wholesalers/operators, airline personnel and representatives of the Canadian Government Office of Tourism. The Division's familiarization efforts enhance media coverage of the Province and promote the development of new group tours.

Editorial Awareness Program

The Editorial Awareness Program completed its second year with a total of 6 press mail-outs to approximately 2,000 North American print media. This resulted in \$227,977 worth of non-paid advertising space in over 120 publications.

This represented a 92 percent increase in provincial editorial coverage over the previous year.

In Canada, the program was most popular with the Ontario print media, with 67 "clippings" returned by the clipping service for a total worth of \$81,000. New England publications contributed \$12,452 worth of editorial coverage.



Prince Edward Island Tourism Minister and his wife present Montreal Expos catcher Gary Carter with a gift at Prince Edward Island Day, Olympic Stadium, Montreal, June 1981.

Prince Edward Island Convention Bureau

The Bureau recorded a total of 12,328 delegates attending 119 meetings during the period covered in this report. This represents a 29 percent increase in the number of (off-Island) regional, national, international, and corporate groups and associations who attended meetings and conventions on the Island.

Marketing

The Convention Bureau initiated continuous mail contact with on-Island and off-Island association decision makers to promote Prince Edward Island as a meeting and convention destination.

Off Island, the Bureau is actively involved in the Canadian Association of Convention Bureaux, the Atlantic Association of Convention Bureaux, and the Institute of Association Executives.

Several trade publications were selected for placement of advertising using the slogan, 'Planning a Convention?—We Want to Help,' to create awareness of PEI Convention Bureau assistance to both off-Island and on-Island decision makers.

The Bureau also became involved with Family Reunions offering planning assistance and mailings.

The Convention Bureau met with owners/operators to plan marketing strategies for new and planned convention and meeting facilities in the province.

Visitor Services

The Visitor Information System, comprised of ten in-province and two out-of-province Visitor Information Centres, augmented by Dial-the-Island INWATS Program, provided an information and reservation service to the vacationing and general public. In addition, the information system was extended throughout Canada and the continental United States through toll-free lines that operated from Fredericton, New Brunswick, and Portland, Maine, respectively, during the April to August, 1981, period.

New Visitor Information Centres in Brackley Beach and Wilmot opened in the spring of 1981. Construction of a new facility in the Caribou, Nova Scotia, ferry terminal building was also completed in the fall.

The following is a summary of Division activities in 1981:

Literature Distribution

The literature distribution system continued to distribute both provincial and private operators' literature throughout the VIC system. In addition, the Division responded to 53,150 individual inquiries and forwarded bulk supplies in response to 1,278 requests.

Dial-the-Island

Dial-the-Island (DTI), which extends throughout Nova Scotia and New Brunswick, began its ninth season on June 15 and continued until September 15. Six lines processed approximately 31,500 calls (including approximately 10,000 confirmed reservations.)

Visitor Statistics

In 1981, 204,000 tourist parties sought information/reservations at the various information Centres.

Accommodation Deposits

Five Visitor Information Centres provided, in addition to the Information/Reservation service, an accommodation deposit service. This guarantees the travelers' accommodations when they are unable to honor the establishments' holding times.

Staff Training

The Travel Counsellors Training Program, consisting of a five-day in-house session and three full-day tours, was provided again for all new Travel Counsellors, in both provincial and privately operated Information Centres.

Inspection and Licensing

The annual inspection of all accommodations was conducted by the Community Hygiene Division of the Department of Health. A total of 707 licenses were issued to accommodations and campgrounds in 1981.

Accommodation Establishments and Units in 1981

Type of Establishment	No. Estmts. 1980	No. Estmts. 1981	No. Units 1980	No. Units 1981
Hotel	6	6	329	330
Motel	68	72	1510	1555
Cottages	242	231	1046	1082
Farm Tourist Homes	84	90	279	284
Tourist Homes, Lodges, Inns	211	244	733	842
TOTAL	611	643	3897	4093



The official opening of the Lady Slipper Visitor Information Centre, Wilmot.

Tourism Industry Development

In 1981 the Tourism Industry Development Division continued its ongoing activities in tourist visitation data collection, tourism research and in providing advice and assistance to tourism operators and regional and functional tourism associations.

The division was involved in the following major programs and activities:

Tourism Visitation Statistics

Counts were taken of tourists leaving the province at the Charlottetown airport and the two major ferry terminals during the period May 15-October 31. The figures were broken down by major market area. Statistics were also collected on the numbers who visited by tour bus, cruise ship or scheduled bus.

Tourist Exit Survey

A survey of exiting tourists was conducted during the period May 15 to October 31 at the same three major exit points. The survey was designed to provide information on demographics, party composition, travel patterns, etc.

Literature Satisfaction Survey

A short survey was conducted in midsummer to determine how well tourists liked the various departmental literature pieces and what suggestions they might have for improvements.

Hospitality Awareness

An on-Island awareness program featuring radio spots, posters and newspaper advertisements was conducted during late spring and early summer. Its purpose was to better inform tourism operators and the general public on the many benefits of tourism and of the importance of hospitality to the enjoyment of visitors.

Career Awareness

Through posters and lapel buttons and participation in career days, the division pursued a program to make high-school students more aware of the variety of career opportunities that exist in the tourism industry and to encourage them to consider these when charting their futures. Development commenced on a related audio-visual presentation.

Festivals and Events Assistance Program

This program, which provided financial assistance for the upgrading and promotion of Island festivals and events, continued throughout 1981.

Advisory Service

The advisory service introduced in 1980 continued. Consultation, information and advice was provided to tourism associations, operators and potential operators together with assistance in a few instances in organization, training seminars and brochure development.

STATISTICS — 1981 SEASON

Table I — Tourism Visitation (May 15 - October 31)

		Spring	Summer	Fall	Total Season
Auto	parties	13,636	155,831	25,191	194,658
Air	parties	2,369	10,598	3,092	16,059
Bus Tours	persons	1,176	30,677	7,394	39,247
Via Rail Bus	persons	210	1,841	393	2,444
Island Transit	persons	—	388	—	388
Cruise Ships	persons	1,173	3,591	1,125	5,889

Table II — Tourist Origin

Non-Resident Vehicles (May 15-October 31)

Origin	Vehicles	Percent
Nova Scotia	65,662	33.7
New Brunswick	51,482	26.5
Newfoundland	3,762	1.9
Ontario	28,570	14.7
Quebec	19,395	10.0
Other Canada	3,888	2.0
New England	9,366	4.8
Other States	12,533	6.4
Total	194,658	100.0

**TABLE III — Purpose of Trip
Air & Auto (May 15-October 31)**

Purpose	Parties	Percent
Convention	3,414	1.6
Business	26,647	12.7
Shopping	187	0.1
Sightseeing	90,592	43.0
Visiting Friends/Relatives	48,747	23.1
Personal Affairs	9,118	4.3
Outdoor Recreation/Sports	26,121	12.4
Commuting	2,661	1.3
Other	3,230	1.5
Total	210,717	100.0

**Table IV — Accommodation Stayed in
Air & Auto (May 15-October 31)**

Accommodation Type	Parties	Percent of Total
Hotel/Motel	66,633	31.6
Cabin/Cottage	17,351	8.2
Tourist Home	7,823	3.7
Owned, Borrowed Vacation Home	5,637	2.7
Friends, Relative's Accommodation	55,241	26.2
Federal Campground	8,069	3.8
Provincial Campground	9,329	4.4
Commercial Campground	30,582	14.5
Farm Vacation Home	269	0.1
Other Accommodation	4,741	2.2

**Table V — Tourist Spending
By Mode (May 15-October 31)**

Mode			Expenditure
Auto	- parties	194,658	\$37,270,279
Air	- parties	16,059	5,450,068
Bus Tours	- persons	39,247	3,649,971
Cruise Ships	- persons	5,889	154,256
Via Rail Bus	- persons	2,444	255,813
Island Transit	- persons	388	40,612
Total			\$46,820,999

**Table VI — Tourist Spending
All Modes (May 15-October 31)**

Expenditure Category	Millions of Dollars
Gas & Oil	\$ 5.2
Auto Repairs & Maintenance	.4
Food and Beverages (including alcohol)	3.7
Alcoholic Beverages	2.1
Restaurant Meals and Beverages	12.0
Accommodation	11.4
Recreation and Entertainment	4.1
Handcrafts	3.6
Other	4.3
Total	\$46.8

Diagram A

**Spending of Tourist Dollar
(May 15-October 31)**

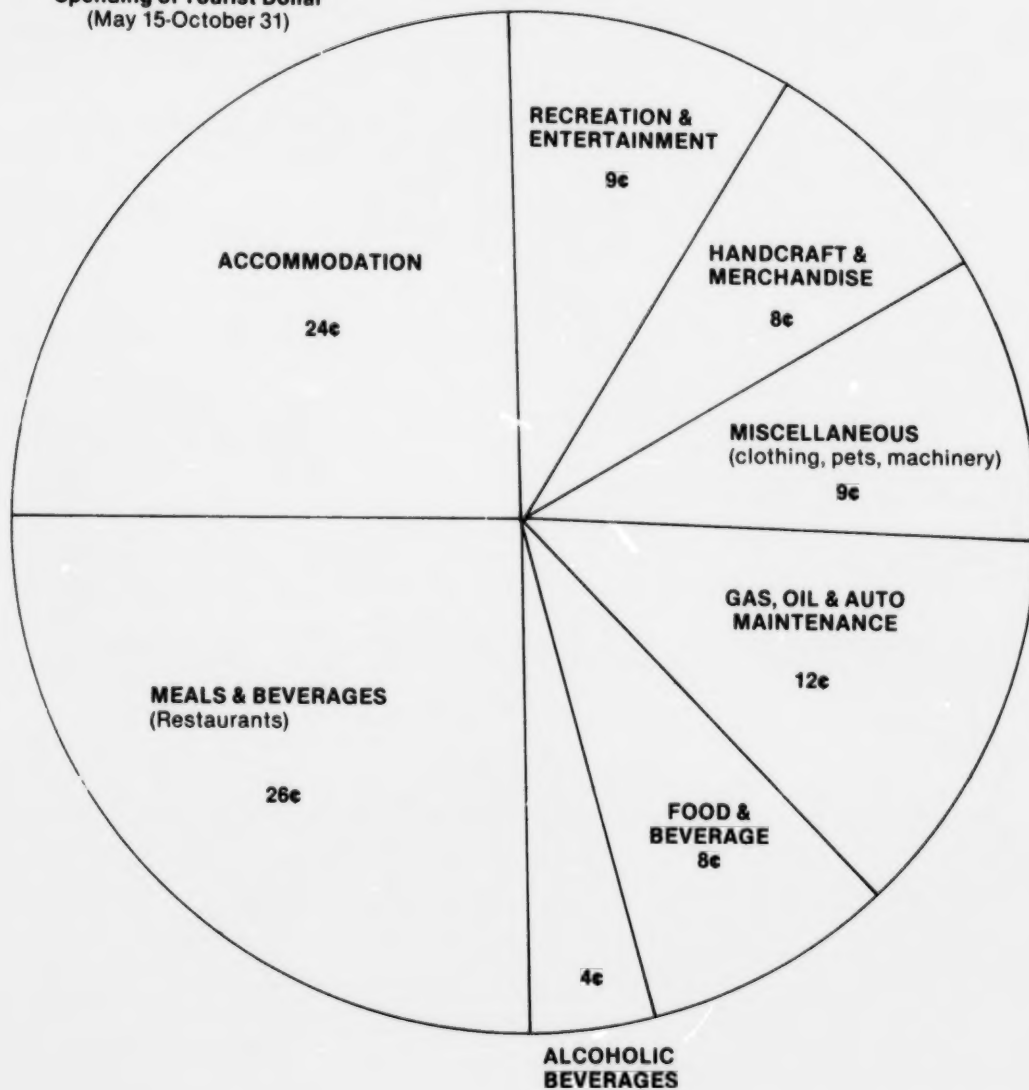
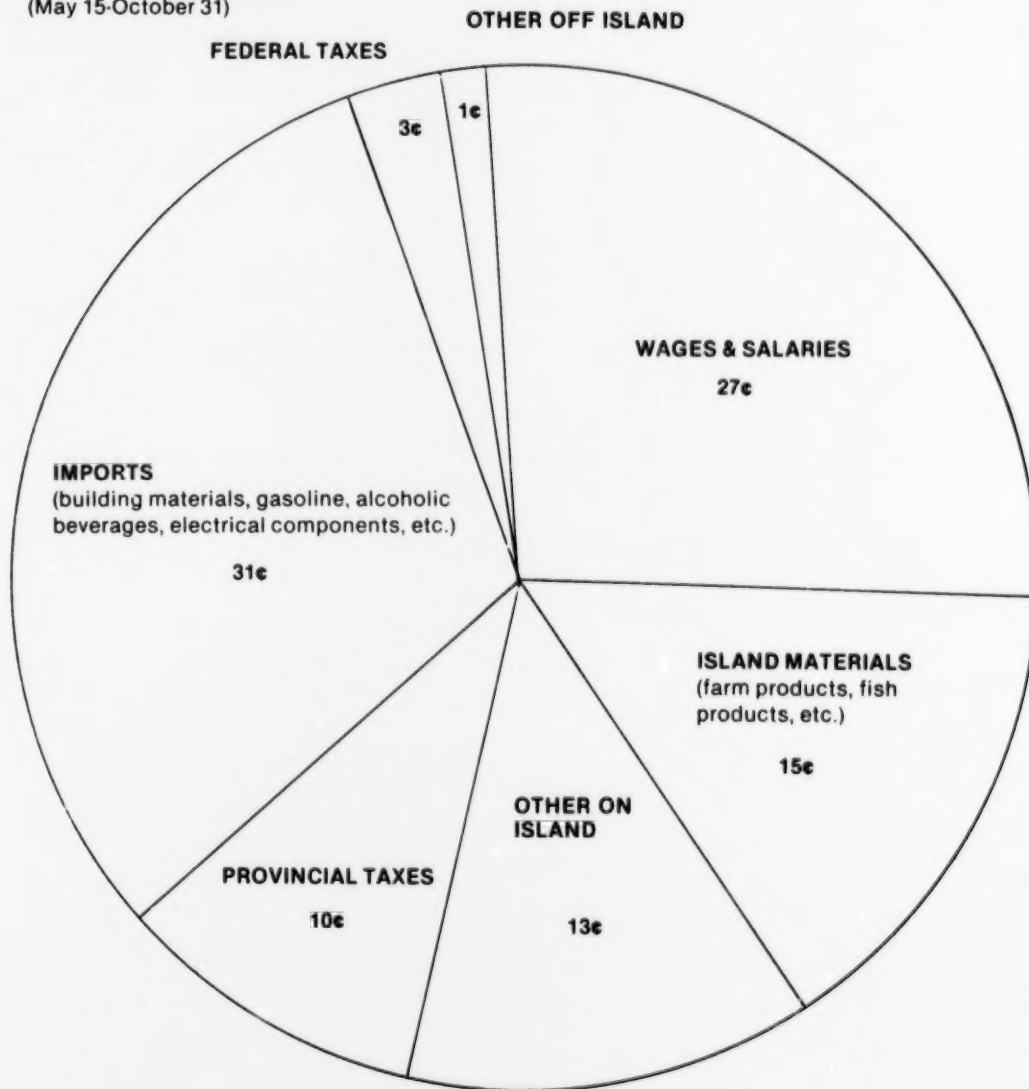


Diagram B

Distribution of Tourist Dollar
(May 15-October 31)



INDUSTRY BRANCH

The following is a summary of the activities of the Industry Branch of the Department of Tourism, Industry and Energy for the fiscal year April 1, 1981, to March 31, 1982. The activities and programs of the Branch fall within two administrative divisions, namely the Business Development Division and the Handcraft Division.

In October, 1981, the Province of Prince Edward Island and the Government of Canada signed Phase III of the Comprehensive Development Plan. The signing of Phase III resulted in a loss of funding for a number of the programs previously funded through this Federal/Provincial Agreement. One of the most notable examples from an industry standpoint was the loss of funding for the forgivable performance loans previously administered by the Business Development Division. Consequently, statistics provided later in this report reflect a reduced level of activity within the Forgivable Performance Loan Programs.

Early in the spring of 1981, the Branch initiated the development of an industrial strategy for Prince Edward Island. In formulating directions for the '80's, a move was made from an historical perspective to a view of the present. In consultation with industrial and community representatives, the Province's present industrial position was determined and future opportunities were identified. This research, together with consideration of national and international trends, has enabled the Province to develop a number of over-all directions which will guide the industrial development efforts of Prince Edward Island over the next decade.



At TannerEye Ltd., components are prepared for the frame assembly of leather-covered sunglasses.

Business Development Division

Forgivable Performance Loan Programs

The Forgivable Performance Loan Programs have been very popular. Comments received from the small business sector in P.E.I., since the programs' inception in 1973, have indicated their importance to the Province.

The Forgivable Performance Loan Programs serve two identities: (1) the small manufacturing and processing industries; and (2) appropriate service sector projects relative to the primary industries of P.E.I.

The programs were administered within the Industry Branch of the Department, and all loan applications were ruled upon by a 10-member Board comprised of members from the private sector and the federal and provincial governments.

During the past year, the Industrial Assistance Review Board approved assistance to a total of 43 applicants under the Industrial Assistance Program and the Service Sector Assistance Program. Assistance offered from April 1, 1981, to March 31, 1982, totalled \$374,438 and is projected to create an additional 90 new jobs for Islanders. The level of activity represents approximately one-half of the number of loan applications approved during the previous year. This is due to the effective end of the programs in October, 1982, resulting from the withdrawal of Federal funding.

The 43 loan offers in 1981-82 consisted of 28 projects under the Industrial Assistance Program and 15 within the Service Sector Program. The average level of financial assistance per project under the Industrial Assistance Program as \$7,024 compared to \$11,850 under the Service Sector Assistance Program.

Sixty-one of the 90 projected new jobs relate to manufacturing and processing activities, while the remaining 29 jobs are of a service nature.

The two Forgivable Performance Loan Programs, by way of statistical summary, have assisted 375 projects in P.E.I. from inception in April, 1973. The assistance offered amounted to \$3,961,533 and is projected to create 1,003 new jobs. This brings the average cost per job to less than \$4,000, which highlights the overall success of the programs. Realizing the importance of the primary sectors to Prince Edward Island, the Forgivable Performance Loan Programs have been directed in part at strengthening the Island's agriculture, forestry and fishing industries.

Assistance was also provided to Island businesses for the production of goods and services which were not previously produced commercially in the Province. Some of these new services include: the repair and servicing of photographic equipment; microfilm services; diesel engine repairs; sand-blasting of machinery and processing facilities; aerial crop spraying; color-film processing; and hydro-static testing of high-pressure cylinders. Included among the new products manufactured on P.E.I. were: fibreglass fish containers and auto parts; kiln-dried lumber; wood-burning furnaces; electrical control-panel systems; gasifiers; and production of wood chips.

Because of the nature of the Forgivable Performance Loan Programs, it is estimated that the approval since 1973 of over \$3.9 million in loan funds can be directly related to inducing capital investment of approximately \$8 million by Island businesses. While this represents a significant benefit to the provincial economy, these programs have resulted in a number of other benefits of prime importance today. Island businesses, assisted by interest-free forgivable performance loans, have given Islanders the opportunity to purchase local products which previously had to be imported. Services pertinent to our primary industries are now being established in various areas of Prince Edward Island, thus providing farmers and fishermen with local services essential to their occupations, without the delays experienced in the past.

In summary, the Forgivable Performance Loan Programs of the Industry Branch have been well received by Island businesses and have served as a significant stimulant to the Island economy. One of the reasons for this success has been the Branch's ability to modify the Forgivable Performance Loan Programs over the past eight years to meet the changing needs of our industrial sector.

Table 1, page 27, gives a statistical comparison of incentives offered to small businesses in the last five years and the employment benefit resulting from both the Industrial Assistance Program and the Service Sector Assistance Program.

Table II, page 27, provides a further statistical breakdown of the Forgivable Performance Loan activity, by county, since the inception of the programs in 1973 to March 31, 1982.

Management Development Program

Many business people and business projects have benefited by the following programs:

The Tuition Fee Subsidization Program assisted a total of 136 managers and senior employees to upgrade their management and work skills through formal training. Participants in this program also attended management courses and seminars out-of-province, provided a similar course was not available locally. Businesses were eligible for a 50% reimbursement of tuition costs upon satisfactory completion of the approved course or seminar.

The Management Training Program assisted with the cost of over 50 seminars, workshops and courses designed to upgrade the management skills of Island business people. Through this program, the Branch absorbed many of the costs associated with conducting the seminars or courses. As a result, managers were able to participate in management training and development programs for nominal registration fees ranging from \$20 to \$50. Courses were offered across the Province and covered a wide range of topics including accounting, human relations, marketing, record-keeping for fishermen, and farm business for farm women.

The Student-In-Industry summer program was expanded to involve 12 Island businesses and employ 12 University of Prince Edward Island business students. This summer employment provided business students with useful on-the-job experience; as well valuable business techniques were acquired by the manager of the business employing the student. The program was administered by the Business Administration Department of the University, in cooperation with the Department of Tourism, Industry and Energy, which contributed \$85 per week towards wages paid to the participating business students.

The University of Prince Edward Island Business Policy Projects program, with the administrative cooperation of the Department, produced 21 projects in 1981. These projects involved potential new business opportunities for P.E.I. and were prepared and presented by the senior business class. The work has proven to be a very valuable experience for the students and has provided the Department with useful information and data.

Since the inception of this program in 1970, students at U.P.E.I. have prepared more than 170 policy projects. To date, a number of new businesses have been created in P.E.I. as a result of work undertaken by the students or referenced by interested entrepreneurs reviewing students' policy projects. The Branch library was open to the public to review these projects.

Counselling Assistance

During the year, the Business Development Division gave counselling assistance to many Island businesses. This assistance related to problems concerning financing, manufacturing techniques, bookkeeping, production, marketing and other problem areas. This type of assistance was made available to businesses directly by staff as well as through coordinating efforts with accounting firms, CASE counsellors and the various Management Training Programs.

Area Industrial Commissions

The area industrial commissions, namely, the West Prince Industrial Commission, La Commission Industrielle de la Baie Acadienne, the Kensington Area Industrial Commission, the Three Rivers Industrial Commission and the Souris Area Industrial Commission, continued to actively pursue their individual development strategies during the year.

In support of the area industrial commissions in their general administration, the Business Development Officers of the Branch assisted each of the commissions in the general pursuit and follow-up of development projects. In addition, the Branch administered a program to provide financial assistance to active area industrial commissions to assist with administrative costs.

During the year, the Industry Branch administered a program to provide financial assistance to Area Industrial Commissions to contract the services of business students, during the summer months, to undertake specific feasibility studies and/or meaningful work programs as determined by Commission members. In 1981, four of the Area Industrial Commissions utilized this program, contracting the services of a total of nine students.

Industrial Research

Funds are budgeted and provided annually to permit the Industry Branch to respond to requests to carry out detailed studies to identify new business opportunities. Studies were undertaken this past year in response to requests from Shell Tec Industries Ltd., Preci-Tech Limited and the Greater Summerside Area Chamber of Commerce. In addition funds were provided to assist in determining the feasibility of establishing a carnival equipment manufacturing plant on Prince Edward Island.

New Products Certification Program

In 1980, the Industry Branch designed and implemented the New Products Certification Program. Through this program, the Province may provide up to 75% of the approved costs incurred by Island manufacturers to acquire ULC and CSA approval for their wood burning and/or waste oil units. The maximum amount of assistance for any one application is \$10,000. In 1981-82, the Branch approved financial assistance for two local firms to seek certification of their products.

Industrial Parks - Capital Projects

While the capital projects in the two industrial parks in Charlottetown and Summerside are administered and managed by Industrial Enterprises Incorporated, these projects are cost-shared under the Comprehensive Development Plan and were funded from the budget of the Department of Tourism, Industry and Energy. Details of the capital expenditures in the year are outlined in the annual report prepared by Industrial Enterprises Incorporated. Sufficient to say for this report all invoices have been processed pertaining to the various projects administered by Industrial Enterprises Incorporated and cost-sharing on all Plan projects has been obtained as required.

Georgetown Shipyard Inc.

In 1981-82, the Branch Director continued to serve as Secretary-Treasurer of the Board of Directors of Georgetown Shipyard Inc., with liaison responsibilities to Government. The operational and financial results of Georgetown Shipyard Inc. are detailed in the annual report prepared by the Company and submitted to the Legislative Assembly.

Three-Phase Power

In 1980-81, the Department contracted with Maritime Electric Co. Ltd. to extend three-phase power lines to two Island businesses.

This program provided major benefits to outlying communities in terms of employment and services to the Island's agriculture and fishing industries.

TABLE I**FORGIVABLE PERFORMANCE LOAN PROGRAMS STATISTICS**

Fiscal Year	Number of Loan Offers	Total Value of Loan Offers	Average Assistance Per Project	Total Projected New Job Creation	Average Cost Per Job
1981-82	43	\$374,438	\$ 8,708	90	\$4,160
1980-81	81	932,851	11,517	180	5,182
1979-80	70	686,328	9,805	193	3,556
1978-79	44	452,766	10,290	100	4,528
1977-78	28	290,537	10,376	66	4,402

TABLE II

**FORGIVABLE PERFORMANCE LOAN PROGRAMS
ANALYSES OF APPROVED APPLICATIONS - BY COUNTY
CUMULATIVE FROM APRIL 1, 1973, TO MARCH 31, 1982**

County	Number of Loan Approvals	New Jobs	Amount	Average Cost Per Job	Average F.P.L. Awarded
PRINCE	118	309	\$1,193,769	\$3,863	\$10,117
QUEENS	178	493	2,024,364	4,106	11,372
KINGS	79	201	743,400	3,699	9,410
TOTAL	375	1,003	\$3,961,533	\$3,889	\$10,299

Handcraft Division

During the fiscal year ending March 31, 1982, the Handcraft Division continued to support and encourage the craftspeople of this province towards an expanded Craft Industry. Island craftspeople are indeed recognized across Canada, and sales increased in 1981-1982 to \$2.1 million.

Promotion

The Division represented eight craft shops at Tour Can '81, a motor coach industry trade show in Moncton, New Brunswick, during April. The motor coach industry was extremely interested in identifying new attractions for its passengers while on the Island.

The 1982 Visitors Guide listed accommodations, attractions, as well as handcraft outlets in the one booklet. Each of the 74 shops was visited many times during the summer months.

Handcraft Exhibition and Awards

The 8th Annual Handcraft Exhibition and Awards presentation was held on June 29, with the Minister presenting awards to 25 craftspeople for their achievements during the year. The exhibition was juried for the first time, and members of the jury were Robert Doyle from Halifax, Nova Scotia; Monique Bourbonnais Ferron, from Longueuil, Quebec; and Michael Fortune from Toronto, Ontario. The show consisted of 41 pieces and was displayed at Holland College, School of Visual Arts, during the months of July and August.



*Pat Stanley, glass
blower, Orwell Studios.*

Atlantic Craft Trade Show

The 5th Atlantic Craft Trade Show was held in Halifax on February 14-16, 1982. The show had 120 booths representing craftspeople from the Atlantic Provinces, of which 14 were from Prince Edward Island. This wholesale show again was popular with retailers from across Canada as it is the only craft trade show in Canada. The total sales were \$482,423, and Prince Edward Island took orders for \$48,385 during the three days.

Grants

The Handcraft Development Division continued to support the various activities sponsored by the P.E.I. Craftsmen's Council through a grant of \$12,000.

The Atlantic Caucus of the Canadian Crafts Council received a grant of \$5,000 to organize a traveling craft exhibition called, "Atlantic Vision," to open during the Canadian Craft Conference in September, 1982.

During the past year, the Director of the Division made presentations to students at Holland College, School of Visual Arts, pre-retirement courses, small business seminars, judging of crafts, official gift buying and assisting craftspeople in establishing workshop premises, product evaluation, costing and estimating, finding sources of raw material, equipment and general management problems. The Director served as director-at-large on the P.E.I. Craftsmen's Council, Treasurer of the Canadian Crafts Council International Committee and Treasurer of the Atlantic Craft Trade Show.

The Craft Industry on Prince Edward Island has become an important market for Prince Edward Island craftspeople, despite the economy situation of the 1980's.

ENERGY AND MINERALS BRANCH

1. Energy

Branch activity centered around the EnerSave for Industry and Commerce program which is funded jointly by the Federal and Provincial Governments. The Branch is also the focus of a variety of other conservation and public awareness programs. The P.E.I. Energy Corporation is responsible for implementing energy projects which utilize locally available energy sources.

A. Oil and Natural Gas

It is now clear that natural gas cannot be made available in Prince Edward Island until 1987 at the earliest. Whether that gas will be delivered via the TransQuebec and Maritime Pipeline system or from Nova Scotia remains to be seen. A planned study of Energy Alternatives for Prince Edward Island to be undertaken jointly by the Federal and Provincial Governments will examine the economic feasibility of natural gas and propane on the Island among other options.

B. Petroleum Product Pricing

The Department continued to monitor the prices of petroleum products on Prince Edward Island in comparison with other jurisdictions to ensure fair and equitable pricing by supplies.

C. Energy Conservation

Energy conservation initiatives have grown from an initial project of determining the insulation levels of residential homes to comprehensive programs of energy management and conservation.

Prince Edward Island is almost wholly dependent upon outside sources for the fuel requirements of the Province. This dependence, coupled with sharply escalating costs, makes energy conservation of vital importance to the Province and has been a significant factor in the positive public response to the programs of the Energy Branch.

EnerSave for Industry and Commerce: Assistance under the Canada-P.E.I. Agreement on Industrial Energy Conservation included, among other things, the free servicing of an energy-audit vehicle equipped to provide on-site computerized analysis of plant energy use; grants to have consultant reports prepared on corrective measures required; capital grants for installation of demonstration equipment that can reduce energy use significantly; and aerial and terrestrial infrared analysis of heat loss from large buildings. (During the year the federal government withdrew its financial support of the capital grant aspect of the program, and started its own capital grant program.) The success of this program to date is shown by the results of bus visits to the year-end (Table 1). The average saving potential identified is 23.7% of total energy bills of \$13.9 million. The continued demand for this service attested to its success and to the concern of industry and business managers to reduce their energy costs so that they can maintain a competitive operating base.

P.E.I. EnerPool: Four 15-passenger vans operated under this program to demonstrate energy conservation in transportation. Each full van has the potential of reducing gasoline consumption by 47,000 litres per year. P.E.I. EnerPool is a charter member of the Canadian Association of Van-Pool Operators (CAVPO).

Infrared Scans: Heat-loss scans were conducted on Island residences during the winter months. There was increased demand for this service, and it was expanded to accommodate these requests.

Information Program: This program covered a broad range of services including responses to telephone and written inquiries for information and advice on energy conservation technology, coordinating workshops and maintaining a current reference library. A monthly energy cost index and an annual Energy Update were published by the Branch.

Ask EnerSave: A bi-monthly newspaper column was produced by the Branch, containing questions and answers relating to heating systems, condensation problems, energy efficient appliances, etc.

Furnace Efficiency Tests: The Branch provided furnace efficiency test kits to homeowners on an overnight or weekend loan basis. Kits were also available at Regional Services Centres, and Energy staff provided instruction in the proper use of the test kit to Service Centre staffs. Assistance was provided in instances where a homeowner had difficulty in conducting the test or interpreting the results.

Auto Fuel Economy and Emission Test Program (Triple E): The aim of this program was to improve vehicle operating efficiency by reducing levels of hydrocarbons and carbon monoxide in exhaust gases. Test units were located in Summerside and Charlottetown and were available on a rental basis to mechanics who successfully passed a training program sponsored by the Energy Branch.

International Energy Days Competition: The Energy Branch coordinated this event which is sponsored by the Northeast International Committee on Energy. The Town of Montague represented the Province, and a wide variety of workshops, contests, demonstrations and displays were presented in that community.

EnerSave School Bag: The Branch worked with the Department of Education in the preparation and distribution of energy education materials to all elementary and junior high schools. Materials included film strips and cassettes, quiz games and project outlines. The Branch also provided speakers, film presentations and visits by the Energy Bus to the senior high schools.

Energy Calendar: In cooperation with Maritime Electric Company, Limited, calendars containing energy tips were made available, free of charge, to Island residents.

Display Program: Attractive portable displays were used to visually promote energy conservation in specific areas such as housing, construction, electricity consumption, etc. These displays were presented at community fairs or at special energy conservation events.

D. Intergovernmental Activities

Staff of the Energy Branch participated with other jurisdictions in promoting the benefits associated with energy conservation:

Maritime Energy Education Committee: This committee is a cooperative effort of the council of Maritime Premiers and the Maritime Departments of Education. The committee is made up of representatives from Education, Energy and the local utilities. Their mandate is to research, select and prepare materials related to many facets of energy education which will be incorporated into the school curriculum in the Maritime provinces.

Canadian General Standards Board (C.G.S.B.) "Certification Program for Insulation Contractors": The Energy Branch actively supported and participated in promoting the C.G.S.B. Certification Program within this Province and is represented on the Provincial Certification Panel.

Northeast International Committee on Energy: The Energy Branch worked on various conferences and workshops coordinated by this committee which is under the jurisdiction of the New England Governors and Eastern Canadian Premiers Conference.

Conservation Sub-Committee for Interprovincial Advisory Committee on Energy (IPACE).

This committee carried out IPACE recommendations related to conservation communications and provided liaison between the provincial energy branches and Energy, Mines and Resources.

2. Oil, Natural Gas and Minerals

The Energy Branch administered and enforced the Oil and Natural Gas Act and the Mineral Act and pursuant regulations. In addition, the Branch was responsible for monitoring the progress of ongoing exploration activities, and for initiating and preparing government-generated assessment studies.

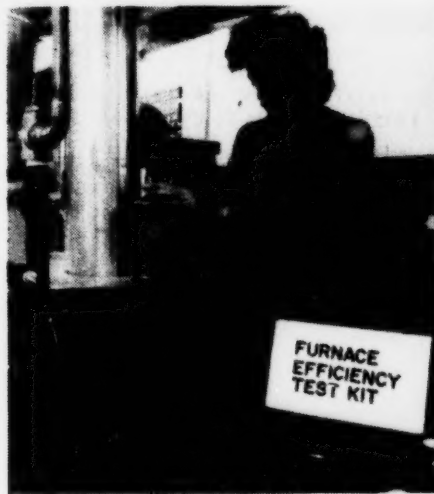
A. Oil and Natural Gas

Hudson's Bay Oil and Gas Ltd. continued offshore seismic studies while Chevron Standard Ltd. undertook extensive onshore and offshore reconnaissance seismic surveys. Further drilling remains a possibility.

Both companies operated under guidelines that ensured the maximum use of local goods and services where competitive.

B. Minerals

The final report on the "Geology of Prince Edward Island" by Walter Van dePoll of the University of New Brunswick was received in April, 1981. This study is an important milestone in that it establishes a framework within which further, more detailed studies can be rationally planned and carried out.



Furnace efficiency test kits such as that being used by Energy Officer, Patrick Mooney (above), are available without charge on an over night or weekend loan basis to Island homeowners. Kits are located at the Energy office and at the Regional Services Centres.



4-15 passenger vans operate under P.E.I. EnerPool, a ride-sharing program administered by the Energy Branch. Each full van has the potential for reducing gasoline consumption by 47,000 litres per year.

TABLE I

ENERSAVE FOR INDUSTRY AND COMMERCE

AUDIT SUMMARY
APRIL 1, 1981, TO MARCH 31, 1982

First-Time Audits	No. of Visits	Energy Bills Audited \$	Potential Savings \$	% Average Savings
Industrial	20	277,894	70,047	25.2
Commercial	94	1,617,710	303,800	18.8
Institutional	46	937,568	186,017	19.8
Grand Total	160	2,833,172	559,864	19.8
Re-Audits				
Grand Total	6	2,441,980	117,615	4.8

TABLE II

GRANT SUMMARY TO MARCH 31, 1982

Type of Audit	No. of Clients	Total Grant Offered	No. of Grants Paid	Total Grant Paid	No. of Consultant Grants Paid	Total Consultant Grant Paid
Industrial	43	1,122,130	25	326,700	9	51,895
Commercial	269	1,600,480	154	668,157	14	48,663
Institutional	262	507,552	221	242,572	10	21,372
Grand Total	574	3,230,162	400	1,237,429	33	121,930

Department of Tourism, Industry and Energy **Detailed Statement of Revenue and Expenditures**

For the Year Ended March 31, 1982

REVENUES

Departmental Management		\$55,120
Tourism Branch:		
Tuna Licenses	375	
Concessions	3,031	
Uniforms, Posters, Pins & Maps	6,661	
Sign Advertising Fees	49,444	59,511
Industry Branch:		
Miscellaneous	3,428	
Handcraft Miscellaneous	192	
Canada/PEI Management		
Training Agreement	51,318	54,938
Energy & Minerals Branch:		
Licenses and Permits	355,947	
Miscellaneous	3,027	358,974
Total Revenue		\$528,543

ORDINARY EXPENDITURES

Departmental Management		\$275,663
Research and Evaluation		61,751
Tourism Branch:		
Branch Mangement	109,070	
Visitor Services	588,478	
Travel Sales	318,032	
Industry Development	208,923	
Information Signage System	171,261	
Communications	738,199	2,133,963
Industry Branch:		
Program Support	309,037	
Handcraft Development	65,475	
Marine Railway	10,700	
Industrial Services	36,227	
Industrial Research	223,935	
Industrial Development Fund:		
Industrial Assistance Program	300,181	
Service Sector Assistance	233,001	
Metals Industry Tech. Support Centre	112,125	
Power Conversion	14,972	
Industrial Buildings:		
Atlantic Fish Specialties	127,206	
West Royalty Industrial Park	30,532	
Parkdale Industrial Park	54,822	
Canada/PEI Training Agreement	64,170	1,582,383
Energy & Minerals Branch:		
Program Support	232,368	
Canada/PEI Energy Agreement	467,160	699,528
Total Ordinary Expenditures		\$4,753,288

